

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 650 – SB 649

February 15, 2023

SUMMARY OF BILL: Prohibits a person from knowingly installing a vehicle immobilization device on a motor vehicle parked on private property. Establishes a violation is a Class B misdemeanor under *the Consumer Protection Act of 1977*. Authorizes the Attorney General and Reporter (AG) to bring an action for an alleged violation. Authorizes the court to impose a civil penalty up to \$1,000 per violation, grant a temporary restraining order, a preliminary or permanent injunction, or other appropriate relief. Requires any penalties collected be deposited into the General Fund.

FISCAL IMPACT:

Other Fiscal Impact – Due to multiple unknown factors, the extent and timing of any recurring decrease in state revenue and mandatory recurring decrease in local revenue and expenditures cannot reasonably be determined.

Assumptions:

- Pursuant to Tenn. Code Ann. § 6-54-132, municipalities are authorized to regulate the commercial use of wheel immobilizers to disable vehicles.
- The proposed legislation will significantly impact operations of businesses providing vehicle booting services. The extent to which such businesses will be required to alter their operations, including, but not limited to, fully stopping their operations, cannot be determined with reasonable certainty.
- The proposed legislation may impact state and local tax collections associated with operations of such businesses.
- In addition, the proposed legislation may result in a mandatory recurring decrease in local licensing revenue and a corresponding mandatory recurring decrease in local expenditures for any municipality that regulates companies that provide booting services.
- However, due to multiple unknown factors including the number of companies currently operating in any municipality, the number of municipalities that currently regulate booting companies, the average cost of a license a municipality charges booting service companies, the average cost of regulation of such businesses, the average state and local tax collections from such businesses, and the extent to which the proposed legislation will impact operations of such companies, the extent and timing of any recurring decrease in state revenue and mandatory recurring decrease in local revenue or expenditures cannot be reasonably determined.

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- Any increase in the number of complaints handled by the AG is estimated to be not significant and can be handled by existing staff during normal work hours.
- There will not be a sufficient number of Class B misdemeanor prosecutions for state or local government to experience any significant increase in revenue or expenditures.
- Any additional AG duties resulting from the proposed legislation will be absorbed using existing resources.
- Any additional workload on the courts, as a result of this legislation, can be accommodated within existing resources and personnel.
- Based on the Fiscal Review Committee's 2008 study and the Administrative Office of the Courts' 2012 study on collection of court costs, fees, and fines, collection in criminal cases is insignificant. The proposed legislation will not significantly change state or local revenue.

IMPACT TO COMMERCE:

Other Commerce Impact – Due to multiple unknown factors, the extent and timing of any recurring decrease in business revenue and expenditures cannot reasonably be determined.

Assumptions:

- Business that provide vehicle immobilization device services will experience a recurring decrease in business revenue and business expenditures due to the prohibition on installation of vehicle immobilization devices.
- Due to multiple unknown factors including the number of companies currently operating across the state and the extent to which the proposed legislation will impact operations of such companies, the extent and timing of any recurring decrease in business revenue or expenditures cannot be reasonably determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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